

REQUEST FOR COUNCIL ACTION

SUBJECT: Procurement of Electrical Services from Rocky Mountain Power for Well No. 6

SUMMARY: Approve a contract with Rocky Mountain Power for the electrical services to complete electrical upgrades to the 480 volt three-phase power service and transformer relocation at Well No. 6 in an amount not to exceed \$17,143.00.

FISCAL IMPACT: Funding is available from Drinking Water Capital Funds.

STAFF RECOMMENDATION:

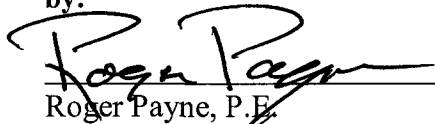
Staff recommends approval of the contract with Rocky Mountain Power for the electrical services to complete electrical upgrades to the 480 volt three-phase power service and transformer relocation at Well No. 6 in an amount not to exceed \$17,143.00.

MOTION RECOMMENDED:


"I move to adopt Resolution No. 15-138 authorizing the Mayor to execute a contract with Rocky Mountain Power for the electrical services to complete electrical upgrades to the 480 volt three-phase power service and transformer relocation at Well No. 6 in an amount not to exceed \$17,143.00.

Roll Call vote required


Prepared by:
by:


Roger Payne, P.E.
Engineering Manager for Utilities

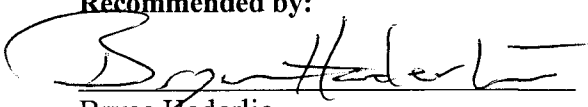
Recommended


Wendell Rigby, P.E.
Director of Public Works

Reviewed as to Legal Sufficiency:


Darien Alcorn
Acting City Attorney

Recommended by:


Bryce Haderlie
Interim City Manager

BACKGROUND DISCUSSION:

Well No. 6 is a City-owned drinking water well that supplies water during the summer season to supplement water deliveries from Jordan Valley Water Conservancy District. Well No. 6 was recently rehabilitated including chemical cleaning of the well screens, addition of a new deep well pump and shaft, and rebuilt motor.

The well is currently undergoing electrical work to install a new electrical motor control panel and variable frequency drive controller in order to ramp the pump motor speed up or down to control the amount of water that is being pumped. In the process of reviewing the proposed electrical work, Rocky Mountain Power determined that the existing 1200 AMP service main panel, and the wires feeding the panel from the existing transformer no longer meets code, that the existing transformer needs to be relocated, and that new conduits and service wire to the well house need to be installed and upgraded.

Rocky Mountain Power has provided the attached General Service Contract to perform the required work for the amount of \$17,143.00. Funding for this item is available in the Drinking Water Capital Projects Fund. Staff recommends approval of this contract so work on the electrical upgrades can continue.

Attachments:

Resolution

Agreement

THE CITY OF WEST JORDAN, UTAH
A Municipal Corporation

RESOLUTION NO. 15-138

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE
A GENERAL SERVICE CONTRACT WITH ROCKY MOUNTAIN POWER

Whereas, the City Council of the City of West Jordan has reviewed the General Service Contract (Request No. 06031506) with Rocky Mountain Power (a copy of which is attached as **Exhibit A**) to provide electric service for Well No. 6 located at 6000 Bagley Park Road, in an amount not-to-exceed \$17,143.00; and

Whereas, the proposed contract between the City of West Jordan and Rocky Mountain Power (a copy of which is attached as **Exhibit A**) to provide electric service for Well No. 6 located at 6000 Bagley Park Road, has been reviewed; and

Whereas, the City Council of the City of West Jordan has determined that the attached agreement with Rocky Mountain is acceptable.

NOW, THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF WEST JORDAN, UTAH:

Section 1. After approval as to legal form by the City Attorney, the Mayor is hereby authorized to execute the General Service Contract between the City of West Jordan and Rocky Mountain Power to provide electric service for Well No. 6 located at 6000 Bagley Park Road, in an amount not to exceed \$17,143.00.

Section 2. This Resolution shall take effect immediately.

Adopted by the City Council of West Jordan, Utah, this 8th day of July 2015.

CITY OF WEST JORDAN

ATTEST:

By: _____
Mayor Kim V. Rolfe

MELANIE BRIGGS
City Recorder

Voting by the City Council

"AYE"

"NAY"

Jeff Haaga

Judy Hansen

Chris McConnehey

Chad Nichols

Sophie Rice

Ben Southworth

Mayor Kim V. Rolfe

(UT May2015-NoRfnd)
Account #:25893946 008
Service ID #:605770559 001
Monthly

Kreg Roberts
C/C: 11431
Request #: 06031506
Contract #:

**GENERAL SERVICE CONTRACT
EXISTING CUSTOMER – ADDITIONAL CAPACITY
(1000 KVA OR LESS)
between
ROCKY MOUNTAIN POWER
and
WEST JORDAN CITY**

This General Service Contract ("Contract"), dated May 27, 2015, is between Rocky Mountain Power, an unincorporated division of PacifiCorp ("Company"), and **West Jordan City** ("Customer"), for electric service for Customer's Pump House operation at or near 6000 BAGLEY PARK RD, Utah.

The Company's filed tariffs (the "Electric Service Schedules" and the "Electric Service Regulations") and the rules of the Utah Public Service Commission ("Commission"), as they may be amended from time to time, regulate this Contract and are incorporated in this Contract. In the event of any conflict between this Contract and the Electric Service Schedules or the Electric Service Regulations, such schedule and rules shall control. They are available for review at Customer's request.

1. **Delivery of Power.** Company will provide 277/480 volt, three-phase electric service to the Customer facilities.
2. **Contract Demand.** The specified Demand in kVA that Customer requires to meet its load requirement and Company agrees to supply and have available for delivery to Customer, shall be 500 kVA (diversified, based on Customer's submitted load prior to the signing of this Contract). After 36 months of service the maximum demand Company is obligated to have available for delivery shall not be greater than the lesser of: the maximum recorded and billed demand in the previous 36 months, or, the above given diversified demand, unless otherwise agreed in writing in accordance with the terms of this Contract. Within fifteen (15) days of the written request for additional demand, Company shall advise Customer in writing whether the additional power and energy is or can be made available and the conditions on which it can be made available.
3. **Extension Costs.** Company agrees to invest \$1,536.00 (the "Extension Allowance") to fund a portion of the cost of the improvements (the "Improvements") as per tariff. Customer agrees to pay Company the estimated construction costs in excess of the Extension Allowance ("Customer Advance") in the amount of \$17,143.00, of which Customer has paid \$0.00 for engineering, design, or other advance payment for Company's facilities. **The balance due is \$17,143.00.**
4. **Contract Minimum Billing.** Customer agrees to pay a contract minimum billing (the "Contract Minimum Billing") during the first sixty (60) months on the Improvements installed under this contract. Only New Revenues, revenues in excess of the existing **monthly** average revenue of \$3,700.00, are eligible for payment towards the facilities charge (Facilities Charge). The Contract Minimum Billing shall be: the Customer's **monthly** bill; plus, the **monthly** Facilities Charge of \$62.68 reduced by a credit of twenty

percent (20%) of New Revenues up to the amount of the **monthly** Facilities Charge. Billings will be based on Rate Schedule No. 23 and superseding schedules.

Contract Minimum Billings for existing facilities will continue through their original contracted term. However the Company will reduce the minimum charges by the amount of the facilities charges associated with refunds due from additional applicants connecting to the Improvements.

5. **Effective.** This Contract will expire unless Customer signs and returns an original of this Contract along with any required payment to Company within ninety (90) days of the Contract date shown on page 1 of this Contract.
6. **Term.** This Contract becomes binding when both the Company and Customer have signed it, and will remain in effect for ten (10) years following the date when the Company is ready to supply the additional capacity.

In the event Customer terminates service or defaults (which results in termination of service) within the first five (5) years of this Contract, Customer shall be responsible for paying the Contract Minimum Billing for the remainder of the five years.

In the event Customer is not ready to receive the additional capacity from Company within one-hundred fifty (150) days of the Customer signature date given on page five (5), then Company may unilaterally terminate this Contract. If Company has not installed Improvements, then such termination of this Contract shall not be treated as a Customer default and Customer shall not be responsible for paying the Contract Minimum Billing for the five (5) year term, only Customer's advance will be applied to Company costs incurred for design, permitting and other associated Company costs. However, if Company has installed Improvements so that Company is ready to supply the additional capacity, but Customer is not ready to receive the additional capacity from Company within said one-hundred fifty (150) days, then the failure of Customer being ready to receive the additional capacity from Company may be treated as a Customer default, and Customer shall be responsible for paying the Contract Minimum Billing for the five (5) year term.

7. **Customer Obligations.** Customer agrees to:
 - a) Provide legal rights-of-way to Company, at no cost to the Company, using Company's standard forms. This includes rights-of-way on Customer's property and/or adjoining property and any permits, fees, etc. required to cross public lands;
 - b) Prepare the route to Company's specifications;
 - c) Install all Customer provided trench, conduit, equipment foundations, or excavations for equipment foundations within the legal rights-of-ways; and,
 - d) Comply with all of Company's tariffs, procedures, specifications and requirements.
8. **Special Provisions:** None
9. **Underground Facilities.** If service is provided by an underground line extension, Customer will provide, or Company will provide at Customer's expense: all trenching and backfilling, imported backfill material, conduit and duct, and furnish and install all equipment foundations, as designed by the Company. Company may abandon in place any underground cables installed under this Contract that are no longer useful to Company.

Customer warrants that all Customer provided trench and excavations for equipment foundations, and Customer installed conduit and equipment foundations are installed within legal rights-of-way, and conform to the specifications in the Company's Electric Service Requirements Manual, and other specifications as otherwise provided by the Company. In the event Customer fails to comply with the foregoing, Customer shall be liable for the cost to the Company for relocating the facilities within a legal right-of-way, acquiring right-of-way for the Company facilities, repair or replacement of improperly installed conduit or foundations, and paying costs for damages that may arise to any third party as a result of the Company facilities being located outside of a legal right-of-way. The provisions of this paragraph 9 shall survive the termination of this agreement.

10. **Design, Construction, Ownership and Operation.** The Company shall design, construct, install, and operate the Improvements in accordance with the Company's standards. The Company will own the Improvements, together with the Company's existing electric utility facilities that serve or will serve Customer. Construction of the Improvements shall not begin until (1) both the Company and Customer have executed (signed) this Contract, and (2) all other requirements prior to construction have been fulfilled, such as permits, payments received, inspection, etc. Any delays by the Customer concerning site preparation and right-of-way acquisition or trenching, inspection, permits, etc. may correspondingly delay completion of the Improvements.

The Company warrants that its work in constructing and maintaining the Improvements shall be consistent with prudent utility practices. **THE COMPANY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE WARRANTY OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, AND SIMILAR WARRANTIES.** The Company's liability for breach of warranty, defects in the Improvements, or installation of the Improvements shall be limited to repair or replacement of any non-operating or defective portion of the Improvements or the Company's other electric utility facilities. Under no circumstances shall the Company be liable for other economic losses, including but not limited to consequential damages. The Company shall not be subject to any liability or damages for inability to provide service to the extent that such failure shall be due to causes beyond the reasonable control of the Company.

No other party, including Customer, shall have the right to operate or maintain the Company's electric utility facilities or the Improvements. Customer shall not have physical access to the Company's electric utility facilities or the Improvements and shall engage in no activities on or related to the Company's electric utility facilities or the Improvements.

11. **Payments.** All bills shall be paid by the date specified on the bill, and late charges shall be imposed upon any delinquent amounts. Company reserves the right to require customer payments be sent by EDI or wire transfer. If Customer disputes any portion of Customer's bill, Customer shall pay the total bill and shall designate the disputed portion. Company shall decide the dispute within sixty (60) days after Customer's notice of dispute. Any refund Company determines Customer is due shall bear interest at the rate then specified by the Commission or, if no rate is specified, the then effective prime rate as established by the Morgan Guaranty Trust Bank of New York.

The Company may request deposits from Customer to the extent permitted under the applicable Electric Service Regulations and the applicable Electric Service Schedule. In the event of a default by Customer in any of its obligations, the Company may exercise any or all of its rights and remedies with respect to any such deposits.

12. **Furnishing Information.** Upon the Company's request, Customer shall submit its year-end financial statements to the Company, certified to be true and correct and in accordance with GAAP (General Accepted Accounting Principles). Furthermore, Customer shall submit additional information as the Company may reasonably request from time to time in furtherance of the purposes of this Contract. Such information shall be deemed confidential. The Company will base its decision with respect to credit, deposits or any other material matter on information furnished under this section by Customer, and shall reserve its rights with respect to such decisions should such information be inaccurate.
13. **Governing Law; Venue.** All provisions of this Contract and the rights and obligations of the parties hereto shall in all cases be governed by and construed in accordance with the laws of the State of Utah applicable to contracts executed in and to be wholly performed in Utah by persons domiciled in the State of Utah. Each party hereto agrees that any suit, action or proceeding in connection with this Contract may only be brought before the Commission, the Federal courts located within the State of Utah, or state courts of the State of Utah, and each party hereby consents to the exclusive jurisdiction of such forums (and of the appellate courts therefrom) in any such suit, action or proceeding.
14. **Assignment.** The obligations under this Contract are obligations at all times of Customer, and may not be assigned without the Company's consent except in connection with a sale, assignment, lease or transfer of Customer's interest in Customer's facility. Any such assignment also shall be subject to (i) such successor's qualification as a customer under the Company's policies and the Electric Service Regulations, the applicable Electric Service Schedule, and (ii) such successor being bound by this Contract and assuming the obligation of Customer from the date of assignment, which may be evidenced by written agreement of such successor or other means acceptable to the Company. The Company may condition this assignment by the posting by the successor of a deposit as permitted under the applicable Electric Service Regulations and the applicable Electric Service Schedule.
- The Company may assign its rights and obligations under this agreement without limitation to any entity in which Berkshire Hathaway Inc. owns more than a 5% interest, and/or over which Berkshire Hathaway Energy exercises management control.
15. **Remedies; Waiver.** Either party may exercise any or all of its rights and remedies under this Contract, the applicable Electric Service Regulations, the applicable Electric Service Schedule and under any applicable laws, rules and regulations. No provision of this Contract, the Electric Service Regulations, or the applicable Electric Service Schedule shall be deemed to have been waived unless such waiver is expressly stated in writing and signed by the waiving party.
16. **Attorneys' Fees.** If any suit or action arising out of or related to this Contract is brought by any party, the prevailing party or parties shall be entitled to recover the costs and fees (including, without limitation, reasonable attorneys' fees, the fees and costs of experts and consultants, copying, courier and telecommunication costs, and deposition costs and all other costs of discovery) incurred by such party or parties in such suit or action, including, without limitation, any post-trial or appellate proceeding, or in the collection or enforcement of any judgment or award entered or made in such suit or action.
17. **Waiver of Jury Trial.** TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN

RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

18. **Entire Agreement.** This Contract contains the entire agreement of the parties with respect to the subject matter, and replaces and supersedes in their entirety all prior agreements between the parties related to the same subject matter. **This Contract may be modified only by a subsequent written amendment or agreement executed by both parties.**

WEST JORDAN CITY

By _____
signature

NAME (type or print legibly) TITLE

DATE

Customer's Mailing Address for Executed Contract

Roger Payne
ATTENTION OF

8000 S REDWOOD RD
ADDRESS

WEST JORDAN UT 84088
CITY, STATE, ZIP

ROCKY MOUNTAIN POWER

By _____
signature

Kim Felice Manager
NAME (type or print legibly) TITLE

DATE

Rocky Mountain Power's Mailing Address for Executed Contract

12840 Pony Express Road
ADDRESS

Draper, Utah 84020
CITY, STATE, ZIP

APPROVED AS TO LEGAL FORM
West Jordan City Attorney
By Daniel Leon Date: 6-26-15

